

DEPARTMENT OF
PUBLIC HEALTH AND HUMAN SERVICES
HEALTH RESOURCES DIVISION

EXHIBIT 5
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HB 2



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RESPECT, VALUE, SERVICE

February 6, 2007

Representative Edith Clark, Chairman
Appropriations Subcommittee
Human Services & Aging
State Capitol Building
Helena, MT 99620

Dear Chairman Clark:

Answered 1st year of life. medicaid

The following item is in response to subcommittee members question during the Department of Public Health and Human Services presentation.

Question from subcommittee members: Can the division provide the number of pregnant women who could potentially be covered by Medicaid at 150% of poverty and then at 175% of ?

The following table provides information for pregnant women (not deliveries) and the estimated number of live births that would be considered for expenditures under the **Medicaid** program. The estimated cost does not consider high-cost neonates since we believe that they would already come on Medicaid as either a disabled child or through the medically needy program. It also does not estimate the administrative cost of the program, including determining eligibility. This estimate assumes that we would continue our present policy in Montana of automatic coverage of newborns for a full year after birth. (Under federal guidelines, we are only mandated to cover newborns for 60 days.) The table breaks out the amounts needed by poverty level and then provides a total summary amount needed for those between 134% of FPL to 175% of FPL along with federal and state share amounts.

134% -150% assumption 6% incr per yr in costs	SFY 2008	SFY 2009	SFY 2010	SFY 2011
248 x Average cost per Pregnancy	\$2,430,442	\$2,576,268	\$2,730,845	\$2,894,695
199 Live birth cost for 0-1 years of age avg yearly costs	\$574,072	\$1,286,965	\$1,364,183	\$1,446,034
Total costs	\$3,004,514	\$3,863,233	\$4,095,027	\$4,340,729
Federal Share	\$2,061,397	\$2,646,701	\$2,805,503	\$2,973,833
State share	\$943,117	\$1,216,532	\$1,289,524	\$1,366,896